

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5119

ANSWERED ON:11.05.2007

SMALL LOAN WITHOUT NO DUES CERTIFICATE

Pingle Shri Devidas Anandrao;Shiwankar Shri Maha Deo Rao

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided to waive the requirement of no-dues certificate for grant of small loans to farmers as reported in Dainik Jagaran dated 25 April, 2007;

(b) if so, the details thereof;

(c) whether the banks would provide loans to farmers in the country without submission of no-dues certificate; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (d) : Yes, Sir. Reserve Bank of India vide Circular dated 30 April 2007 has issued instructions to the Chairman & Managing Director/Chief Executive Officer of All Scheduled Commercial Banks (including Regional Rural Banks) that banks may dispense with the requirement of No-Due Certificate for small loans upto Rs.50,000/- to small & marginal farmers, share croppers and the like and, instead, obtain self-declaration from the borrower.